

Life Insurance Benefits Booklet


West Virginia Public Employees Insurance Agency

Invest in the future



JULY 2006

Underwritten by
MINNESOTA LIFE



Introduction To Your PEIA Group Life Insurance Policy underwritten by Minnesota Life Insurance Company:

This booklet provides a description of the options available to you and your dependents. Detailed policy provisions including enrollment requirements, effective dates of coverage, policy limits, and exclusions are included. Please review this important information and keep it in a secure place for future reference.

As an eligible employee of an employer who is affiliated with the West Virginia Public Employees Insurance Agency (PEIA), life insurance benefits are available to you and your dependents through a group life insurance policy underwritten by Minnesota Life Insurance Company. Your benefit choices include basic life insurance, optional life insurance, and optional dependent life insurance.

Basic Life Insurance

Active and retired employees may elect basic life insurance. Your benefit amount depends on your age and employment status (active employee or retired employee).

Basic Accidental Death and Dismemberment Insurance

Active employees who elect basic life insurance are automatically covered for accidental death and dismemberment (AD&D) insurance. Retired employees are not eligible for AD&D insurance.

Optional Life and AD&D Insurance

If you want more protection than the basic life insurance benefit provides, you may elect additional coverage. Optional life insurance and an equal amount of AD&D coverage are available to active employees. Retired employees may also select optional life insurance, but no AD&D benefits are available to retired employees.

Dependent Life and AD&D Insurance

Active employees may choose life and AD&D insurance for their eligible dependents. Retired employees may elect dependent life insurance, but no AD&D benefits are available to dependents of retired employees.

Please remember that both basic and optional coverage on the employee is decreasing term life insurance. That means the premiums increase and coverage amounts decrease as the employee ages.

Again, please review this information, and if you have questions regarding this coverage, please contact Minnesota Life Insurance Company at 304-344-1222.

GENERAL INFORMATION

POLICYHOLDER: West Virginia Public Employees Insurance Agency **POLICY NO.:** 33227-G

PARTICIPATING EMPLOYERS:

- State of West Virginia
- West Virginia Legislature
- West Virginia State colleges and universities
- County boards of education to include elected members of the boards of education
- Counties, cities, or towns (if the employer elects to participate in the PEIA Plan)
- Comprehensive community mental health centers and mental retardation centers authorized pursuant to West Virginia Code
- Other individuals and government bodies specified in the West Virginia Code, (if the employer elects to participate in the PEIA Plan)

POLICY EFFECTIVE DATE: July 1, 2006

This certificate and/or certificate specifications page replaces any and all certificates and/or certificate specifications pages previously issued to you under the group policy. Please replace any certificate and/or certificate specifications page previously issued to you with this new certificate and/or specifications page.

GROUP: Regular, full-time active public employees of West Virginia (including elected officials) who are:

- full-time employees regularly working at least 20 hours per week in a permanent position that is considered full-time by the participating employer; or
- elected officials who work full-time in elected positions; or
- members of the West Virginia Legislature; or
- elected members of a county board of education; or
- school service employees eligible under W.Va. Code, Chapter 18A

Retired public employees are also eligible under the policy as defined by the policyholder as follows:

The retiree meets the minimum eligibility requirements of the applicable State retirement system and the retiree's last employer immediately prior to retirement is a participating employer under the state retirement system. Members of the Teacher's Defined Contribution Retirement plan must have 12 or more years of credited service or be age 60 or over with a minimum of 5 years of service to qualify to continue coverage upon retirement. Members who participate in a non-State retirement system must, in the case of education employees (such as TIAA-CREF or similar plans), meet the minimum eligibility requirements of the State Teachers Retirement System, and in other cases, meet the minimum eligibility requirements of the Public Employees Retirement System.

ENROLLMENT PERIOD: The calendar month in which an employee is hired and the two calendar months immediately following the employee's date of hire. An employee must complete an enrollment form for all coverage under this policy, including basic insurance.

In addition, for an employee who acquires a newly eligible dependent through marriage, birth or adoption, the enrollment period for the newly eligible dependent is the calendar month in which the event occurs and the two calendar months immediately following the event.

WAITING PERIOD: For employees in an eligible class on July 1, 2006:
None

For all other employees:

The period commencing with the employee's date of employment and ending with the first day of the month immediately following the employee's enrollment for coverage under the group policy. For employees who enroll before their first day of active employment, coverage will begin the first day of the month following the employee's first day of active employment.

**MINIMUM HOURS PER WEEK
REQUIRED**

20 hours per week, unless otherwise exempt under W. Va. Code.

CERTIFICATE HOLDER:

An employee who meets the eligibility requirements and becomes insured according to the terms of the policy.

CERTIFICATE EFFECTIVE DATE:

The date that the certificate holder becomes insured under the group policy.

PLAN OF INSURANCE**EMPLOYEE BENEFIT SCHEDULE****EMPLOYEE TERM LIFE INSURANCE:****Basic Life Insurance****Eligible Class** – All active employees**Schedule of Life Insurance**

<u>Under age 65</u>	<u>Age 65 – 69</u>	<u>Age 70 or over</u>
\$10,000	\$6,500	\$5,000

Eligible Class – All disabled employees
whose coverage is continued under the Waiver
of Premium Rider**Schedule of Life Insurance**

<u>Under age 65</u>	<u>Age 65 – 69</u>	<u>Age 70 or over</u>
\$10,000	\$5,000	\$2,500

Optional Life Insurance

An employee must enroll for basic life insurance in order to enroll for optional life insurance. An employee may choose an amount of optional life insurance from the following options:

Eligible Class - All active employees**Schedule of Life Insurance for Active Employees**

<u>Option</u>	<u>Under age 65</u>	<u>Age 65 – 69</u>	<u>Age 70 or over</u>
I	\$ 5,000	\$ 3,250	\$ 2,250
II	10,000	6,500	4,500
III	20,000	13,000	9,000
IV	30,000	19,500	13,500
V	40,000	26,000	18,000
VI	50,000	32,500	22,500
VII	60,000	39,000	27,000
VIII	75,000	48,750	33,750
IX	80,000	52,000	36,000
X	100,000	65,000	45,000
XI	150,000	97,500	67,500
XII	200,000	130,000	90,000
XIII	250,000	162,500	112,500
XIV	300,000	195,000	135,000
XV	350,000	227,500	157,500
XVI	400,000	260,000	180,000
XVII	450,000	292,500	202,500
XVIII	500,000	325,000	225,000

EMPLOYEE ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE:

Basic and Optional Insurance

Eligible Class

All employees

Amount of Insurance

An amount equal to the amount of basic and optional life insurance for which the employee is insured under the group policy.

GENERAL PROVISIONS FOR EMPLOYEE INSURANCE

AGE REDUCTIONS:

For basic insurance age reductions will apply the first day of the calendar month coinciding with or next following an employee's attainment of a specified age.

For optional insurance reductions in an employee's amount of insurance due to attainment of a specified age will become effective September 1 of each year based on the employee's age as of that date.

RETIREE COVERAGE:

An eligible retiree may elect basic and optional life insurance coverage as a retiree on a contributory basis, subject to the following provisions.

Basic Retiree Life Insurance

Evidence of insurability will not be required for basic retiree coverage if:

- (1) basic retiree coverage is elected during the month of the employee's retirement or within the two calendar months immediately following the employee's date of retirement; and
- (2) the employee was covered for basic life insurance immediately prior to his or her date of retirement.

All elections for retiree basic coverage must be made during the employee's month of retirement, or within the subsequent two calendar months immediately following the employee's date of retirement. Basic retiree insurance cannot be elected outside of this enrollment period. As an exception, a retiree will be given an opportunity to enroll for basic retiree life insurance without evidence of insurability at the time the retiree enrolls for retiree medical coverage through PEIA.

If elected by the employee, the amount of basic retiree life insurance will be determined by the retiree's age as follows:

Schedule of Basic Retiree Life Insurance

<u>Under age 67</u>	<u>Age 67 or over</u>
\$5,000	\$2,500

Optional Retiree Life Insurance

A retired employee (including an employee approved for disability retirement) who is enrolled for basic retiree life insurance may also elect one of the following options of optional retiree life insurance:

Schedule of Optional Retiree Life Insurance

<u>Option</u>	<u>Under age 65</u>	<u>Age 65 – 69</u>	<u>Age 70 or over</u>
I	5,000	3,250	2,500
II	10,000	6,500	5,000
III	15,000	9,750	7,500
IV	20,000	13,000	10,000
V	30,000	19,500	15,000
VI	40,000	26,000	20,000
VII	50,000	32,500	25,000
VIII	75,000	48,750	37,500
IX	100,000	65,000	50,000
X	150,000	97,500	75,000

**Optional Retiree Life Insurance
Continued**

All elections for retiree optional coverage must be made during the employee's month of retirement, or within the subsequent two calendar months immediately following the employee's date of retirement or the date the employee is approved for disability retirement. Optional retiree coverage cannot be elected or increased outside of this enrollment period.

Evidence of insurability will not be required for elections equal to or less than the amount of optional insurance the retiree had in force as an active employee under the plan immediately prior to his or her retirement date. As an exception an employee enrolled for Option I or Option II as an active employee can enroll for the same respective option under the retiree schedule without evidence of insurability, even if the election results in a slight increase in his or her amount of insurance.

Evidence of insurability will be required for any increase in the amount of insurance. Any amount of life insurance subject to evidence of insurability will become effective the first day of the month following the date which Minnesota Life finds the evidence of insurability to be satisfactory.

In the event a retired employee dies within 31 days of his or her retirement date without making an election for retiree coverage, benefits will be paid according to the employee's coverage in force immediately prior to his or her date of retirement.

All AD&D coverage terminates the first day of the month following the employee's date of retirement.

CONTRIBUTORY/NONCONTRIBUTORY:

Basic insurance for active employees may be noncontributory or contributory insurance, as determined by the participating employer. Basic insurance for retired employees is contributory insurance. All optional insurance is contributory insurance.

GUARANTEED ISSUE AMOUNT:

Guaranteed issue is the maximum amount of insurance an employee can receive without evidence of insurability when first eligible under the plan provided enrollment is made within the enrollment period. The amounts are as follows:

For basic insurance:

All basic insurance is guaranteed issue.

For optional insurance:

For employees in an eligible class immediately prior to the effective date of the group policy:

An amount equal to the amount of contributory insurance for which the employee was insured under the prior carrier's group policy on the day immediately preceding the effective date of this policy.

For employees who first become eligible after the effective date of this policy:

\$100,000

EVIDENCE OF INSURABILITY:

Evidence of insurability is required as stated in the policy and for an amount of insurance greater than the guaranteed issue amount.

DEPENDENTS BENEFIT SCHEDULE

DEPENDENTS TERM LIFE INSURANCE: An employee must enroll for basic life insurance in order to enroll for dependents term life insurance. An active employee enrolled for life insurance may choose an amount of dependents term life insurance from the following options:

Schedule of Life Insurance

<u>Option</u>	<u>Eligible Class</u>	<u>Amount of Life Insurance</u>
I	Spouse	\$ 5,000
	Children	2,000
II	Spouse	10,000
	Children	4,000
III	Spouse	15,000
	Children	7,000
IV	Spouse	20,000
	Children	10,000

An employee must enroll each dependent he or she want to cover. All insured dependents must be insured under the same coverage option. In the event an employee who has dependents insurance in force for existing dependents acquires a newly eligible dependent, the newly eligible dependent may be enrolled for any of the coverage options listed above on a guaranteed issue basis, provided enrollment for the newly eligible dependent is made within the enrollment period.

If the amount of insurance applied for on the life of the newly acquired dependent is greater than the amount of insurance then in force for the employee's other insured dependents, evidence of insurability will be required for all previously insured dependents. The increase in coverage will not become effective until the first day of the month following the date required evidence of insurability is approved by Minnesota Life. If any dependent is declined in underwriting the employee may choose to continue dependent coverage for all dependents (including the newly acquired dependent) at the coverage amount in force without applying the increase, or cancel coverage for the declined dependent and continue coverage at the increased amount for all other insured dependents.

DEPENDENTS ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE:

Available to dependents of active employees only. Not available for dependents of retired employees.

Eligible Class

Spouse and Children

Amount of Insurance

An amount equal to the amount of dependents term life insurance for which the spouse or child is insured under the group policy.

GENERAL PROVISIONS FOR DEPENDENTS INSURANCE

CONTRIBUTORY/NONCONTRIBUTORY: Dependents insurance is contributory insurance.

GUARANTEED ISSUE AMOUNT: Guaranteed issue is the maximum amount of insurance an eligible dependent can receive without evidence of insurability when first eligible under the plan provided enrollment is made within the enrollment period. The amounts are as follows:

For employees with eligible dependents immediately prior to the effective date of this policy:

The guaranteed issue amount is equal to the amount of dependents insurance for which they were insured under the prior group policy.

For employees who first become eligible for dependents insurance after the effective date of this policy:

All dependents insurance is guaranteed issue.

EVIDENCE OF INSURABILITY: Evidence of insurability is required as stated in the policy and for an amount of insurance greater than the guaranteed issue amount.

EFFECT OF EMPLOYEE'S RETIREMENT:

An eligible retiree who is insured under the basic retiree life plan may elect optional dependents life insurance coverage (not including AD&D insurance) as a retiree, subject to the following provisions.

All elections for optional dependents life insurance coverage must be made during the employee's month of retirement, or within the subsequent two calendar months immediately following the employee's date of retirement.

A retired employee insured under the basic retiree life plan may elect one of the following options of dependent life insurance.

<u>Option</u>	<u>Eligible Class</u>	<u>Amount of Life Insurance</u>
I	Spouse	\$ 5,000
	Children	2,000
II	Spouse	10,000
	Children	4,000
III	Spouse	15,000
	Children	7,000
IV	Spouse	20,000
	Children	10,000

Retirees with dependent coverage inforce immediately prior to retirement:

A retiree may elect to continue dependent term life insurance equal to the amount inforce immediately prior to his or her retirement without evidence of insurability. Any increase in the amount of dependent term life insurance will require evidence of insurability.

Retirees with no dependent coverage inforce immediately prior to retirement:

A retiree who is not enrolled for dependent life insurance immediately prior to retirement may elect any of the coverage options offered. Evidence of insurability will be required.

Retirees who acquire a newly eligible dependent

A retiree who acquires a newly eligible spouse or dependent child may elect Option 1 without evidence of insurability, provided the retiree enrolls for dependent coverage during the month in which he or she acquires a newly eligible dependent, or within the two calendar months immediately following the month in which he or she acquires the newly eligible spouse or dependent child. Elections for greater than level 1 require evidence of insurability.

Dependent life insurance elections which do not require evidence of insurability will become effective the first day of the month immediately following the date the retiree enrolls for dependent life insurance.

Dependent life insurance for any dependent required to submit evidence of insurability will become effective the first day of the month immediately following the date such evidence of insurability is found satisfactory by Minnesota Life.

In the event a dependent dies within 31 days of the employee's retirement date and before the retiree has made an election for retiree dependent life coverage, benefits will be paid according to the dependent's coverage inforce immediately prior to his or her date of retirement.

All dependents AD&D coverage terminates the first day of the month following the employee's date of retirement.

ADDITIONAL INFORMATION

WAIVER OF PREMIUM APPLICATION:

Applies to basic employee term life insurance only.

Does not apply to basic AD&D insurance, optional employee term life insurance, optional employee AD&D insurance, or optional dependents term life or dependents AD&D insurance.

SUPPLEMENTS TO THE CERTIFICATE

Accidental Death and Dismemberment

Dependents Term Life

Waiver of Premium

Accelerated Benefits

Definitions

age

Attained age as of most recent birthday.

application

Your application for insurance under the group policy and, if required, your evidence of insurability application.

certificate effective date

The date your coverage under this certificate becomes effective.

contributory insurance

Insurance for which you are required to make premium contributions.

employee

An individual who is employed by a participating employer. As used herein, the term employee shall also mean an appointed or elective officer.

employer

Any designated participating employer.

evidence of insurability

Evidence satisfactory to us of the good health of the prospective insured and any other underwriting information we require.

insured

A person who is eligible for and becomes insured according to the terms of this certificate.

non-work day

A day on which you are not regularly scheduled to work, including scheduled time off for vacations, personal holidays, weekends and holidays, and approved leaves of absence for non-medical reasons.

Non-work day does not include time off for medical leave of absence, temporary layoff, employer suspension of operations in total or in part, strike, and any time off due to sickness or injury including sick days, short-term disability, or long term disability.

noncontributory insurance

Insurance for which you are not required to make premium contributions.

PEIA

Public Employees Insurance Agency.

participating employer

Any employer which has affiliated with the West Virginia Public Employees Insurance Agency.

policyholder

The owner of the group policy as shown on the specifications page attached to this certificate.

specifications page

The outline which summarizes your coverage under the policyholder's plan of insurance.

waiting period

The period, if any, of continuous employment with the employer required prior to becoming eligible for coverage under this certificate. The waiting period is shown on the specifications page attached to this certificate.

we, our, us

Minnesota Life Insurance Company.

you, your, certificate holder

An employee or retired employee who is eligible for and becomes insured under the group policy.

General Information

What is your agreement with us?

You are insured under the group policy shown on the specifications page attached to this certificate. This certificate summarizes the principal provisions of the group policy that affect your life insurance coverage. The provisions summarized in this certificate are subject in every respect to the group policy.

Any statements made in your application as defined in this certificate will, in the absence of fraud, be considered representations and not warranties. Also, any statement made will not be used to void your insurance nor defend against a claim unless the statement is contained in the application.

This certificate is issued in consideration of your application and the payment of the required premium.

Can this certificate be amended?

Yes. We retain the right to amend this certificate at any time without your consent. Any amendment will be without prejudice to any claim incurred for benefits prior to the date of the amendment.

Who is eligible for insurance?

You are eligible if you:

- (1) are a member of the group and of an eligible class as defined in the group policy; and
- (2) work for a participating employer for at least the number of hours per week shown as the minimum hours per week requirement on the specifications page attached to this certificate; and
- (3) have satisfied the waiting period as shown on the specifications page attached to this certificate; and
- (4) meet the actively at work requirement as shown in the section entitled "What is the actively at work requirement?".

Are retired employees eligible for insurance?

Yes. As reflected in the specifications page attached to this certificate, the policyholder's plan of insurance provides insurance for eligible retired employees. The minimum hours per week and actively at work requirements do not apply to such persons.

What is the actively at work requirement?

To be eligible to become insured or to receive an increase in the amount of insurance, you must be actively at work performing your customary duties for a full work day at the employer's normal place of business, or at other places the employer's business requires you to travel.

If you are not actively at work on the date coverage would otherwise begin, or on the date an increase in your amount of insurance would otherwise be effective, you will not be eligible for the coverage or increase until you complete a full day of active work. However, if the absence is on a non-work day, coverage will not be delayed provided you were actively at work on the work day immediately preceding the non-work day.

Except as otherwise provided for in this certificate, you are eligible to continue to be insured only while you remain actively at work.

When will we require evidence of insurability?

Evidence of insurability will be required if:

- (1) the amount of insurance applied for is greater than the guaranteed issue amount shown on the specifications page attached to this certificate; or
- (2) you do not enroll within the enrollment period shown on the specifications page attached to this certificate; or
- (3) the insurance for which you previously enrolled did not go into effect or was terminated because you failed to make a required premium contribution; or
- (4) you are insured by an individual policy issued under the terms of the conversion right section.

When does insurance become effective?

Insurance becomes effective on the first day of the month immediately following the date that all of the following conditions have been met:

- (1) you meet all eligibility requirements; and
- (2) if required, you apply for the insurance on forms which are approved by us; and
- (3) we are satisfied with your evidence of insurability, if we require evidence; and
- (4) we receive the required premium.

Can your coverage be continued during sickness, injury, leave of absence or temporary layoff?

Yes. The participating employer may continue your noncontributory insurance or allow you to continue your contributory insurance when you are absent from work due to sickness, injury, leave of absence, or temporary layoff. Continuation of your insurance is subject to certain time limits and conditions as stated in the group policy. If you stop active work for any reason, you should discuss with your employer what arrangements may be made to continue your insurance.

Premiums

When and how often are your premium contributions due?

Unless the policyholder and we have agreed to some other premium payment procedure, any premium contributions you are required to make for contributory insurance are to be paid by you to the policyholder on a monthly basis. We apply premiums consecutively to keep the insurance in force.

How is the premium determined?

The premium will be the premium rate multiplied by the number of \$1,000 units of insurance in force on the date premiums are due. The premium may also be computed by any other method on which the policyholder and we agree.

We may change the premium rate:

- (1) on any premium due date after the end of the rate guarantee period; or
- (2) anytime, if the policy terms are amended or the total amount of insurance in force changes by 10% or more.

Death Benefit

What is the amount of the death benefit?

The amount of the death benefit is the amount of insurance shown on the specifications page attached to this certificate.

Can you request a change in the amount of your contributory insurance?

Yes. The policyholder's plan of insurance, as reflected in the specifications page attached to the group policy, allows for a choice of amounts of insurance for your class. You can request an increase or a decrease in the amount of your contributory insurance within the limitations of the policyholder's plan of insurance, including any limitations on when and how often such requests may be made. All requests must be made in writing.

If you request an increase in the amount of your contributory insurance, we will require evidence of insurability.

When will changes in your coverage amount be effective?

Requested increases in the amount of your contributory insurance, if approved, are effective on the first day of the month immediately following the date we approve the increase. Requested decreases in the amount of your contributory insurance will become effective according to the policyholder's enrollment rules.

All increases in the amount of insurance are subject to the actively at work requirement.

When will the death benefit be payable?

We will pay the death benefit upon receipt at our home office of written proof that you died while insured under this certificate. All payments by us are payable from our home office.

The death benefit will be paid in a single sum or by any other method agreeable to us and the beneficiary. We will pay interest on the death benefit from the date of your death until the date of payment. Interest will be at an annual rate determined by us, but never less than 3% per year compounded annually, or the minimum required by state law, whichever is greater.

Payment of the death benefit will extinguish our liability under the certificate for which the death benefit has been paid.

To whom will we pay the death benefit?

We will pay the death benefit to the beneficiary or beneficiaries. A beneficiary is named by you to receive the death benefit to be paid at your death. You may name one or more beneficiaries. You cannot name the policyholder or a participating employer as a beneficiary.

If there is more than one beneficiary, each will receive an equal share, unless you have requested another method in writing. To receive the death benefit, a beneficiary must be living on the date of your death. In the event a beneficiary is not living on the date of your death, that beneficiary's portion of the death benefit shall be equally distributed to the remaining surviving beneficiaries. In the event of the simultaneous deaths of you and a beneficiary, the death benefit will be paid as if you survived the beneficiary.

If there is no eligible beneficiary, or if you do not name one, we will pay the death benefit to:

- (1) your lawful spouse, if living, otherwise;
- (2) your natural or legally adopted child (children) in equal shares, if living, otherwise;
- (3) your parents in equal shares, if living, otherwise;
- (4) your brothers and sisters (including whole or half blood) in equal shares, if living, otherwise;
- (5) the personal representative of your estate.

Can you add or change beneficiaries?

Yes. You can add or change beneficiaries if all of the following are true:

- (1) your coverage is in force; and
- (2) you have not assigned the ownership of your insurance.

A request to add or change a beneficiary must be made in writing. A change will take effect as of the date it is signed, but will not affect any payment we make or action we take before receiving your notice.

Termination

When does your coverage terminate?

Your coverage ends on the earliest of the following:

- (1) the date the group policy ends; or
- (2) the last day of the calendar month in which your employment voluntarily ceases, except that retired employees who meet the minimum eligibility requirements of the applicable state retirement system continue to be eligible under the plan of insurance available to eligible retirees, provided you apply in the month of or the two calendar months immediately following your retirement; or
- (3) three months after the end of the month in which your employment ends if employment is terminated involuntarily or through a reduction of work force, except that retired employees who meet the minimum eligibility requirements of the applicable state retirement system continue to be eligible under the plan of insurance available to eligible retirees, provided you apply in the month of or the two calendar months immediately following your retirement; or
- (4) the date the group policy is amended so you are no longer eligible; or
- (5) upon the expiration of the grace period for any premium contribution which is not paid; or
- (6) the last day for which premium contributions have been paid following your written request to cease participation under this certificate.

When does the group policy terminate?

The policyholder may terminate the group policy by giving us 30 days prior written notice. We reserve the right to

terminate the group policy on the earliest of the following to occur:

- (1) upon the expiration of the grace period for any premiums which are not paid; or
- (2) on any subsequent policy anniversary after the date the number of employees insured is less than any minimum established by us or as required by applicable state law; or
- (3) 30 days after we provide the policyholder with notice of our intent to terminate the group policy.

Conversion Right

What is the conversion right?

You may convert this insurance to a new individual life insurance policy if all or part of your life insurance under the group policy terminates.

You may convert up to the full amount of terminated insurance if termination occurs because you move from one existing eligible class to another, or you are no longer in an eligible class.

What is the limited conversion right?

Limited conversion is available if, after you have been insured for at least three years and the group policy has been in effect for at least five years, insurance is terminated because:

- (1) the group policy is terminated; or
- (2) the group policy is changed to reduce or terminate your insurance.

You may convert up to the full amount of terminated insurance, but not more than the maximum. The maximum is the lesser of:

- (a) \$10,000; and
- (b) the amount of life insurance which terminated minus any amount of group life insurance for which you become eligible under any group policy issued or reinstated by us or any other carrier within 31 days of the date the insurance terminated under the group policy.

Neither the conversion right nor the limited conversion right is available if your coverage under the group policy terminates due to failure to make, when due, required premium contributions.

Under both the conversion right and the limited conversion right, you may convert your insurance to any type of individual policy of life insurance then customarily issued by us for purposes of conversion, except term insurance. The individual policy will not include any supplemental benefits, including, but not limited to, any disability benefits, accidental death and dismemberment benefits, or accelerated benefits.

The incontestable and suicide exclusion periods for the new individual policy will still be measured from the original effective date of your certificate under the group

policy. However, if you apply for an increase in your amount of insurance under the new individual policy, or if the new individual policy contains new or additional benefits, the incontestability and suicide exclusion periods will be measured from the effective date of your new individual policy.

How do you convert your insurance?

You convert your insurance by applying for an individual policy and paying the first premium within 31 days after your group insurance terminates. No evidence of insurability will be required.

How is the premium for the individual policy determined?

We base the premium for the individual policy on the plan of insurance, your age, and the class of risk to which you belong on the date of the conversion.

When is the individual policy effective?

The individual policy takes effect 31 days after the group insurance provided under the group policy terminates.

What happens if you die during the 31-day period allowed for conversion?

If you die during the 31-day period allowed for conversion, we will pay a death benefit regardless of whether or not an application for coverage under an individual policy has been submitted. The death benefit will be the amount of insurance you would have been eligible to convert under the terms of the conversion right section.

We will return any premium you paid for an individual policy to your beneficiary named under the group policy. In no event will we be liable under both the group policy and the individual policy.

Additional Information

What if your age has been misstated?

If your age has been misstated, the death benefit payable will be that amount to which you are entitled based on your correct age. A premium adjustment will be made so that the actual premium required at your correct age is paid.

When does your insurance become incontestable?

Except for fraud or the non-payment of premiums, after your insurance has been in force during your lifetime for two years from the effective date of your coverage, we cannot contest your coverage. However, if there has been an increase in the amount of insurance for which you were required to apply or for which we required evidence of insurability, then, to the extent of the increase, any loss which occurs within two years of the effective date of the increase will be contestable.

Any statements you make in your application as defined under this certificate will, in the absence of fraud, be considered representations and not warranties. Also, any

statement you make will not be used to void your insurance, nor defend against a claim, unless the statement is contained in the insured's application.

Can your insurance be assigned?

Yes. However, we will not be bound by an assignment of the certificate or of any interest in it unless it is made as a written instrument, and you file the original instrument or a certified copy with PEIA and you receive an acknowledged copy.

Assignments will be allowed only if:

- (1) they are not collateral assignments or assignments for consideration; and
- (2) they are consented to in writing with your notarized signature.

We are not responsible for the validity of any assignment. You are responsible for ensuring that the assignment is legal in your state and that it accomplishes your intended goals. If a claim is based on an assignment, we may require proof of interest of the claimant. A valid assignment will take precedence over any claim of a beneficiary.

Is the policyholder required to maintain records?

Yes. The policyholder is required to maintain adequate records of any information necessary for us to administer this certificate.

If a clerical error is made in keeping records on the insurance under the group policy, it will not affect otherwise valid insurance. A clerical error does not continue insurance which is otherwise stopped. If an error causes a change in premium payment, we will make a fair adjustment.

Will the provisions of this certificate conform with state law?

Yes. If any provision in this certificate, or in the provisions of the group policy, is in conflict with the laws of the state governing the certificates or the group policy, the provision will be deemed to be amended to conform to such laws

General Information

This certificate supplement is issued in consideration of the required premium and is subject to every term, condition, exclusion, limitation, and provision of your certificate unless otherwise expressly provided for herein. Coverage under this supplement will not be included in any insurance issued under the conversion right section of your certificate.

What does this supplement provide?

This supplement provides a benefit for your or your insured dependent's accidental death or dismemberment which occurs as a result of an accidental injury.

Accidental Death and Dismemberment Benefit

What does accidental death or dismemberment by accidental injury mean?

Accidental death or dismemberment by accidental injury as used in this supplement means that an insured's death or dismemberment results, directly and independently of all other causes, from an accidental injury which is unintended, unexpected, and unforeseen.

The injury must occur while the insured's coverage under this supplement is in force. The insured's death or dismemberment must occur within 90 days after the date of the injury and while his or her coverage under this supplement is in force.

In no event will we pay the accidental death or dismemberment benefit where the insured's death or dismemberment is caused directly or indirectly by, resulting from, or where there is a contribution from, any of the following:

- (1) suicide or attempted suicide, whether sane or insane; or
- (2) the insured's participation in or attempt to commit a felony; or
- (3) bodily or mental infirmity, illness or disease; or
- (4) the abuse of drugs, or the use of poisons, gases or fumes, voluntarily taken, administered, absorbed, inhaled, ingested or injected, except as administered by a licensed medical professional; or
- (5) bacterial infection, other than infection occurring simultaneously with, and as a result of, the accidental injury; or
- (6) war or any act of war, whether declared or undeclared.

What is the amount of the accidental death and dismemberment benefit?

FOR LOSS OF	AMOUNT OF BENEFIT
Life	Full Amount of Insurance
Both Hands or Both Feet	Full Amount of Insurance
Sight of Both Eyes	Full Amount of Insurance
One Hand and One Foot	Full Amount of Insurance
One Foot and Sight of One Eye	Full Amount of Insurance
One Hand and Sight of One Eye	Full Amount of Insurance
Sight of One Eye	50% of Amount of Insurance
One Hand or One Foot	50% of Amount of Insurance

The amount of insurance is shown on the specifications page attached to your certificate. Loss of hands or feet means complete severance at or above the wrist or ankle joints. Loss of sight means the entire and irrecoverable loss of sight which cannot be corrected by medical or surgical treatment or by artificial means.

Benefits may be paid for more than one accidental injury but the total amount of insurance payable under this supplement for any one accident will never exceed the full amount of insurance shown on the specifications page attached to your certificate.

When will the accidental death and dismemberment benefit be payable?

We will pay the accidental death and dismemberment benefit upon receipt at our home office of written proof that an insured died or suffered dismemberment as a result of an accidental injury. All payments by us are payable from our home office.

The benefit will be paid in a single sum. We will pay interest on the benefit from the date of the insured's death or dismemberment until the date of payment. Interest will be at an annual rate determined by us, but never less than 3% per year compounded annually or the minimum required by state law, whichever is greater.

To whom do we pay the benefit?

We pay the death benefit to the person or persons entitled to receive a death benefit under the terms of your certificate. The benefit for other losses is paid to you.

Termination

When does an insured's coverage under this supplement terminate?

An insured's coverage ends on the earliest of:

- (1) the date the insured is no longer covered for life insurance under the group policy; or
- (2) the last day of the month in which you retire; or
- (3) upon the expiration of the grace period following the due date of any premium contribution which is not paid.

When does this supplement terminate?


This supplement will terminate on the earlier of:

- (1) the date we receive a request from the policyholder to cancel the Accidental Death and Dismemberment Policy Rider to the group policy; or
- (2) the date the group policy is terminated.

Additional Information

Do we have the right to obtain independent medical verification?

Yes. We retain the right to have you medically examined at our expense whenever a claim is pending and, where not forbidden by law, we reserve the right to have an autopsy performed in case of death.


Secretary


President

General Information

This certificate supplement is issued in consideration of the required premium and is subject to every term, condition, exclusion, limitation, and provision of your certificate unless otherwise expressly provided for herein.

What does this supplement provide?

This supplement provides insurance on the lives of your eligible dependents.

What members of your family are eligible for insurance under this supplement?

The following members of your family are eligible for insurance under this supplement:

- (1) your lawful spouse who is not legally separated from you; and
- (2) your biological children, stepchildren living with you, legally adopted children, and children who are members of your household who are fully dependent upon you for support and maintenance.

In order to be eligible under the group policy the child must be unmarried, under the age of 19, or under the age of 25 if a full-time student in an accredited educational institution. Eligibility begins at live birth (stillborn or unborn children are not eligible). Children age 19 or older are also eligible if they are physically or mentally incapable of self-support, were incapable of self-support prior to age 19 (25 if a full-time student) and are financially dependent on the certificate holder for more than one-half of their support and maintenance.

If both parents of a child qualify as eligible employees under the group policy, both may elect to cover the child under this supplement. If any child qualifies as an eligible employee under the group policy, he or she is not eligible to be insured as a dependent child.

When will we require evidence of insurability?

Evidence of insurability will be required if:

- (1) the amount of insurance applied for is greater than the guaranteed issue amount shown on the specifications page attached to your certificate; or
- (2) you apply for an increase in the amount of insurance for a covered dependent; or
- (3) you do not enroll for coverage under this supplement within the enrollment period shown on

the specifications page attached to your certificate; or

- (4) dependents insurance for which you previously enrolled did not go into effect or was terminated because you failed to make a required premium contribution; or
- (5) the dependent is insured by an individual policy issued under the terms of the conversion right of this supplement.

When does insurance on a dependent (other than a newborn) become effective?

Insurance on a dependent becomes effective on the first day of the month following the date when all of the conditions listed below have been met:

- (1) the dependent meets all eligibility requirements; and
- (2) you apply for dependents coverage on the life of the eligible dependent on forms which are approved by us; and
- (3) we are satisfied with the dependent's evidence of insurability, if we require evidence; and
- (4) we receive the required premium.

If a dependent is hospitalized or confined because of illness or disease on the date his or her insurance would otherwise become effective, his or her effective date shall be delayed until he or she is released from such hospitalization or confinement.

However, in no event will insurance on a dependent be effective before your insurance under the group policy is effective.

When does insurance on a newborn become effective?

You may enroll your eligible newborn child (natural or adoptive) in any dependent insurance option offered under the plan of insurance without evidence of insurability, provided enrollment is made within the enrollment period. Coverage for the newborn child will become effective as follows:

- (1) if you have dependents insurance in force for any other eligible dependents immediately prior to the birth of the newborn, coverage for the newborn child will be effective upon live birth at the option level then in force for your eligible dependents insured under the policy. You may elect a higher option of coverage for the newborn child subject to the provisions outlined in the Specifications Page attached to this certificate; or
- (2) if you were not eligible for dependent coverage prior to the birth, or if you waived coverage on

your eligible dependents, you may enroll the newborn child for any dependent coverage option available under the plan of insurance without evidence of insurability, provided enrollment is made within the enrollment period. Regardless of the dependent coverage option elected the newborn will be insured for an amount equal to option 1 from the time of live birth until the newborn is discharged from the hospital. Upon discharge from the hospital the newborn will be insured for the full amount of the elected option.

However, in no event will insurance on a newborn be effective before your insurance under the group policy is effective.

Death Benefit

What is the amount of life insurance on each insured dependent?

The amount of life insurance on each insured dependent is shown on the specifications page attached to your certificate.

To whom will we pay the death benefit?

The death benefit payable under this supplement will be paid to you if living, otherwise to your estate.

Termination

When does an insured dependent's coverage under this supplement terminate?

An insured dependent's coverage ends on the earliest of the following:

- (1) the last day of the month in which the dependent no longer meets the eligibility requirements; or
- (2) upon the expiration of the grace period following the due date of any premium contribution which is not paid; or
- (3) the last day for which premium contributions have been made following your written request that insurance on your eligible dependents be terminated; or
- (4) the date you are no longer covered under the group policy.

You must notify PEIA when a dependent is no longer eligible for coverage under this supplement so that premiums may be discontinued.

When does this supplement terminate?

This supplement will terminate on the earlier of:

- (1) the date we receive a request from the policyholder to cancel the Dependents Term Life Insurance Policy Rider; or
- (2) the date the group policy is terminated.

Additional Information

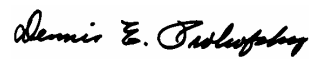
What is the conversion right under this supplement?

If an insured dependent's coverage under this supplement terminates because he or she is no longer eligible, or because of your death, or because of termination or amendment of this supplement, the insurance may be converted to a policy of individual insurance with Minnesota Life.

Conversion may be requested by you, an insured dependent of legal capacity, or the insured dependent's guardian, if applicable. All other conditions and provisions of the conversion right section of your certificate to which this supplement is attached will apply.

Does the Waiver of Premium supplement to your certificate apply to insured dependents?

No. The Waiver of Premium supplement to your certificate does not apply to dependents covered under this supplement.


Secretary


President

MINNESOTA LIFE**TERM LIFE WAIVER OF PREMIUM
CERTIFICATE SUPPLEMENT**

Minnesota Life Insurance Company • 400 Robert Street North • St. Paul, Minnesota 55101-2098

General Information

This certificate supplement is issued in consideration of the required premium and is subject to every term, condition, exclusion, limitation, and provision of your certificate unless otherwise expressly provided for herein. The specifications page attached to your certificate indicates whether this supplement applies to contributory insurance or noncontributory insurance. Coverage under this supplement will not be included in any insurance issued under the conversion right section of your certificate.

What does this supplement provide?

This supplement provides for waiver of premium if you become totally and permanently disabled, as defined herein, while under age 60. Upon approval of proof of such disability, your basic insurance only will be continued in force without payment of premiums during the uninterrupted continuance of the total and permanent disability.

What is total disability?

Total disability is a disability which occurs while your insurance is in force and which results from an accidental injury or an illness that continuously prevents you from engaging in any occupation for which you are reasonably suited by education, training, or experience. You must be under the care of a licensed physician. The licensed physician cannot be you or a member of your immediate family. For purposes of this supplement, your immediate family consists of your spouse, children, parents, grandparents, grandchildren, brothers and sisters and their spouses.

What is permanent disability?

Permanent disability is a total disability which has existed continuously for at least nine months.

However, premiums will not be waived during any such recovery period.

Do premiums have to be paid after you become disabled?

Yes. Premiums have to be paid after you become disabled, but only until we approve your total and permanent disability claim. Continued payment prevents the possible loss of your coverage and eligibility if your claim is not approved.

What if you convert your group life insurance to a policy of individual insurance prior to the approval of your disability claim?

If your coverage has been converted in accordance with the conversion right section of your certificate, benefits under this supplement will apply only if the converted policy is surrendered without claim, except for refund of premiums.

What will be considered due proof of total and permanent disability?

You must furnish evidence satisfactory to us that your disability:

- (1) commenced while your insurance under your certificate was in force; and
- (2) meets the definition of total disability; and
- (3) commenced before your 60th birthday; and
- (4) was continuous for nine months or more.

We will, from time to time, also require additional proof satisfactory to us that you continue to be totally and permanently disabled. We may also require that you submit to one or more medical examinations at our expense.

If you die within one year of the date of onset of your disability, your beneficiary may claim benefits under this supplement even if your premium payments were discontinued and you had not submitted due proof satisfactory to us of your total disability or you were continuously disabled for less than nine months. Your beneficiary must submit due proof satisfactory to us that your total disability, which began before premium payments on your behalf were discontinued and before your 60th birthday, continued without interruption until your death.

When must we be notified of your disability or death?

We must receive written notice at our home office of your total disability within one year of the date of onset of such disability. However, failure to give notice within the time provided will not invalidate the claim if it is shown that notice was given as soon as reasonably possible.

We must receive written notice at our home office within one year of death that you died during the period of continuance provided by this supplement. Proof must be furnished that you continued to be totally disabled during the entire period of continuance until death. If such notice and proof are not provided within the required time frame, there shall be no liability for any payment under this supplement.

What is the amount of insurance to be continued without payment of premium under this supplement?

The amount of your insurance continued shall be the amount shown on the Specifications Page applicable to disabled employees.

How long will insurance be continued without payment of premium?

If you become totally and permanently disabled, insurance will be continued, without payment of premium, until the earliest of:

- (1) the date you recover so that you are no longer totally and permanently disabled; or
- (2) the date you fail to furnish proof of continued disability when requested or you refuse to submit to a required medical examination.

What happens to your insurance when the waiver of premium benefit ends?

When the benefits under this supplement end according to the provisions of the section entitled "How long will insurance be continued without payment of premium?," the following will apply:

- (1) If you are then eligible for coverage under your certificate, your insurance may be continued under your certificate provided that premiums are paid. The first such premium payment must be made within 31 days of the date the waiver of premium benefit ends.

- (2) if you are no longer eligible for coverage under your certificate, you may convert coverage to an individual policy, as provided for under the conversion right section of your certificate.


Your insurance will end unless, within 31 days of the date benefits under this supplement end, premium payments on your behalf are resumed or you apply to convert your coverage.

When does this supplement terminate?

This supplement will terminate on the earlier of:

- (1) the date we receive a request from the policyholder to terminate the Term Life Waiver of Premium Policy Rider; or
- (2) the date the group policy is terminated.

Insurance being continued without further payment of premiums in accordance with the provisions of this supplement will not end due solely to the termination of the Term Life Waiver of Premium Policy Rider or of the group policy.


Secretary


President

Benefits received under this Accelerated Benefits Certificate Supplement may be taxable. You should seek assistance from a personal tax advisor prior to requesting an accelerated payment of death benefits.

General Information

This certificate supplement is subject to every term, condition, exclusion, limitation, and provision of your certificate unless otherwise expressly provided for herein.

What does this supplement provide?

This supplement provides for the accelerated payment of a partial amount of your optional death benefit provided under your certificate. If you have a terminal condition as defined in this supplement, you may request an accelerated payment of your death benefit.

Definitions

accelerated benefit

The amount of the death benefit we will pay if the certificate holder is eligible under this supplement.

death benefit

The amount of your optional life insurance as shown on the specifications page attached to your certificate.

immediate family

Your spouse, children, parents, grandparents, grandchildren, brothers and sisters, and their spouses.

physician

An individual who is licensed to practice medicine or treat illness in the state in which treatment is received. This does not include you or a member of your immediate family.

Terminal Condition

What is a terminal condition?

A terminal condition is a condition caused by sickness or accident which directly results in a life expectancy of twelve months or less.

What evidence do we require of your terminal condition?

We must be given evidence that satisfies us that your life expectancy, because of sickness or accident, is twelve months or less. That evidence must include certification by a physician.

Do we have the right to obtain independent medical verification?

Yes. We retain the right to have you medically examined at our own expense to verify your medical condition. We may do this as often as reasonably required while accelerated benefits are being considered or paid.

Payment of Accelerated Benefit

What is the accelerated benefit?

The accelerated benefit is the amount of the death benefit payable under this rider. It is the death benefit requested to be accelerated, subject to the minimum and maximum amounts described later.

What are the conditions for the payment of an accelerated benefit?

We will consider the payment of an accelerated benefit, subject to all of the following conditions:

- (1) coverage must be in force and all premiums due must be fully paid; and
- (2) application must be made in writing and in a form which is satisfactory to us. We will tell you what form is required; and
- (3) you must be the sole owner of the certificate.

Who may request an accelerated payment of the death benefit?

You may request an accelerated payment of the insurance on your life.

Is the request for an accelerated benefit voluntary?

Yes. An accelerated benefit will be made available on a voluntary basis only. An accelerated benefit under this supplement is not intended to cause an involuntary reduction of the death benefit ultimately payable to the named beneficiary. Therefore, payment of the death benefit cannot be accelerated under this supplement if the certificate holder:

- (1) is required by law to use this option to meet the claims of creditors, whether in bankruptcy or otherwise; or
- (2) is required by a government agency to use this option in order to apply for, obtain, or keep a government benefit or entitlement.

Is there a minimum or maximum death benefit eligible for an accelerated benefit?

Yes. The minimum death benefit to be eligible for an accelerated benefit under this supplement is \$10,000. The maximum death benefit to be eligible for an accelerated benefit is 50 percent of your amount of optional life insurance.

Can you choose to accelerate less than 50 percent of your amount of optional insurance?

Yes. You may choose to accelerate less than the maximum, provided the remaining amount is at least \$25,000. This is called a partial accelerated benefit.

You may apply for a subsequent accelerated benefit at any time. However, the total amount payable to you for all accelerated benefit payments cannot exceed 50 percent of your amount of optional life insurance in effect immediately prior to the first accelerated death benefit payment. We may ask for further satisfactory evidence that you meet all requirements for the accelerated benefit.

What is the effect on your coverage of the receipt of an accelerated benefit?

Coverage will remain in force and premiums will be reduced accordingly. The remaining amount of insurance under the certificate will be the full amount of insurance minus the amount of insurance that was accelerated.

How will we pay the accelerated benefit?

We will pay the accelerated benefit in one lump sum or in any other mutually agreeable manner.

To whom will we pay accelerated benefits?

All accelerated benefits will be paid to you unless you validly assign them otherwise. If you die before all payments have been made, we will pay the remainder to the beneficiary named under this certificate. Payment will be made in one lump sum which will be the present value of the payments that remain, using the interest rate we use to determine the payments.

Termination


When does your coverage under this supplement terminate?

Your coverage ends on the date you are no longer covered for life insurance under the group policy.

When does this supplement terminate?

This supplement will terminate on the earlier of:

- (1) the date we receive a request from the policyholder to cancel the Accelerated Benefits Policy Rider; or
- (2) the date the group policy is terminated.


Secretary


President

**NOTICE CONCERNING COVERAGE
LIMITATIONS AND EXCLUSIONS UNDER THE WEST VIRGINIA
LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT**

Residents of West Virginia who purchase life insurance, annuities or health insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the West Virginia Life and Health Insurance Guaranty Association. The purpose of this association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of insured persons who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by these insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting companies that are well-managed and financially stable.

The West Virginia Life and Health Insurance Guaranty Association may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in West Virginia. You should not rely on coverage by the West Virginia Life and Health Insurance Guaranty Association in selecting an insurance company or in selecting an insurance policy. For a complete description of coverage, consult Article 26A, Chapter 33 of the West Virginia Code.

Coverage is **NOT** provided for your policy or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk.

Insurance companies or their agents are required by law to give or send you this notice. **However, insurance companies and their agents are prohibited by law from using the existence of the guaranty association to induce you to purchase any kind of insurance policy.**

The Guaranty Association or the West Virginia Insurance Commission will respond to questions you may have which are not answered by this document. Policyholders with additional questions may contact:

West Virginia Life and Health Insurance Guaranty Association
P. O. Box 816
Huntington, West Virginia 25712

West Virginia Insurance Commissioner
Consumer Services Division
2019 Washington Street, East
P. O. Box 50540
Charleston, West Virginia 25305-0540
(304) 558-3386
Toll Free 1-800-642-9004
TDD 1-800-435-7381

The state law that provides for this safety-net coverage is called the West Virginia Life and Health Insurance Guaranty Association Act. On the back of this page is a brief summary of this law's coverages, exclusions and limits. This summary does not cover all provisions of the law nor does it in any way change anyone's rights or obligations under the act or the rights or obligations of the Guaranty Association.

Generally, individuals will be protected by the West Virginia Life and Health Insurance Guaranty Association if they live in West Virginia and hold a life or health insurance contract, annuity contract, unallocated annuity contract, or if they are insured under a group life, health or annuity insurance contract, issued by a member insurer. Member insurer also includes non-profit service corporations (W. Va. Code §33-24) and health care corporations (W. Va. Code § 33-25). The beneficiaries, payees or assignees of insured persons are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons holding such policies are not protected by this association if:

- they are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- the insurer was not authorized to do business in this state;
- the policy was issued at a time, when the insurer was not licensed or authorized to do business in the state;
- their policy was issued by an HMO, a fraternal benefit society, mandatory state pooling plan, a mutual protective association or similar plan in which the policyholder is subject to future assessments, an insurance exchange, or any entity similar to the above.

The association also does not provide coverage for:

- any policy or portion of a policy which is not guaranteed by the insurer or for which the individual or contractholder has assumed the risk;
- any policy of reinsurance (unless an assumption certificate was issued);
- interest rate yields that exceed an average rate;
- dividends;
- credits given in connection with the administration of a policy by a group contractholder;
- employer or association plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them) or uninsured, including:
 - i. multiple employer welfare arrangements;
 - ii. minimum premium group insurance plan;
 - iii. stop loss group insurance plan; or
 - iv. administrative services only contract.
- any unallocated annuity contract issued to an employee benefit plan protected under the federal pension guaranty corporation;
- any portion of any unallocated contract which is not issued to or in connection with a specific employee, union or association's benefit plan or a governmental lottery.

LIMITS ON AMOUNT OF COVERAGE

The act also limits the amount the association is obligated to pay out: The association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the association will not pay more than \$100,000 in cash surrender values, \$100,000 in health insurance benefits, \$100,000 in present value of annuities, or \$300,000 in life insurance death benefits-again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages.

Note to benefit plan trustees or other holders of unallocated annuities (GICs, DACs, etc.) covered by the act: for unallocated annuities that fund governmental retirement plans under §§401(k), 403(b) or 457 of the Internal Revenue Code, the limit is \$150,000 in present value of annuity benefits including net cash surrender and net cash withdrawal per participating individual. In no event shall the association be liable to spend more than \$300,000 in the aggregate per individual; for covered unallocated annuities that fund other plans, a special limit of \$1,000,000 applies to each contractholder, regardless of the number of contracts held with the same company or number of persons covered. In all cases, of course, the contract limits also apply.

MINNESOTA LIFE

400 Robert Street North • St. Paul, Minnesota 55101-2098

GROUP TERM LIFE CERTIFICATE OF INSURANCE



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Charleston, WV 25305-0710

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